help the people of northern Iraq find the permanent, stable settlement which they deserve, and to minimize the opportunities for Baghdad and Tehran to insert themselves into the conflict and threaten Iraqi citizens in this region. Baghdad continues to pressure the two groups to enter into negotiations.

The United Nations Compensation Commission

The United Nations Compensation Commission (UNCC), established pursuant to UNSCRs 687 and 692, continues to resolve claims against Iraq arising from Iraq's unlawful invasion and occupation of Kuwait. The UNCC has issued almost 1.3 million awards worth \$6 billion. Thirty percent of the proceeds from the oil sales permitted by UNSCRs 986, 1111, and 1143 have been allocated to the Compensation Fund to pay awards and to finance operations of the UNCC. To the extent that money is available in the Compensation Fund, initial payments to each claimant are authorized for awards in the order in which the UNCC has approved them, in installments of \$2,500. To date, 757 U.S. claimants have received an initial installment payment, and payment is still in process for approximately another 58 U.S. claimants.

Conclusion

Iraq remains a serious threat to international peace and security. I remain determined to see Iraq comply fully with all of its obligations under UNSC resolutions. The United States looks forward to the day when Iraq rejoins the family of nations as a responsible and law-abiding member.

I appreciate the support of the Congress for our efforts and shall continue to keep the Congress informed about this important issue.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Strom Thurmond, President pro tempore of the Senate.

Remarks to the Community at Elmendorf Air Force Base in Anchorage, Alaska

June 24, 1998

Thank you very much. Let me begin by thanking all of you for your service and for giving Hillary and me and our entire delegation—including Secretaries Albright, Rubin and Daley, and my Chief of Staff, Mr. Bowles, and National Security Advisor, Mr. Berger, all of us feel so welcome—and for welcoming this very distinguished delegation of Senators and Members of the House of Representatives as we embark on this trip to China.

And thank you for our service here, and thank you for bringing all the children. I always look forward to these stops at Elmendorf. You know, I couldn't go to China without stopping at Elmendorf—literally, of course. [Laughter] But I don't want to anymore.

Of all the times I've been here, I've seen so many people I've had a chance to express personal thanks—I've never come here a single time and met with our service families that I haven't met at least one person, and usually more than one, whom I knew in my previous life, when I was Governor of Arkansas, or whom I had met traveling around the country in their previous service at another base. So for all of that, I thank you.

I'd like to thank Colonel Gration and you, General McCloud, for your distinguished remarks here and your service. General Simpson, thank you. I thank the members of the 3rd Wing, the men and women of the Air Force, the Army, the Navy, the Marines, the Coast Guard, and the National Guard, all of whom make up the Alaska Command.

Tomorrow Hillary and I and our party will a arrive in Xi'an for the first state visit to China, as Congressman Hamilton said, by an American President this decade. The American people are taking a special interest in this trip, just as they did when President Nixon first went to China a quarter century ago. I thought it would be important for me to spend a few moments speaking to you, who give so much to the security of our country every day, about why I am going.

Let's start with some basic facts. China is the world's most populous nation. It is growing by the size of our total population every 20 years. It borders more than one dozen countries in one of the most challenging regions on Earth. Its economy has grown an average of 10 percent every year for the past 20 years. It has a large military, a permanent seat on the United Nations Security Council, sophisticated industrial and technological capabilities.

Soon, it will overtake the United States as the world's largest emitter of the greenhouse gases that are doing so much to warm our planet. Clearly, the policies China chooses to pursue and the relationship between the United States and China will have a huge impact on your lives and the lives of your children and your grandchildren in the 21st century.

Of course, our engagement with China does not mean we embrace everything that China does; nor does it mean, parenthetically, that they agree with everything we do. We have chosen a course that is both pragmatic and principled, expanding cooperation while dealing directly with our differences, especially over human rights. This policy is the best way to advance our national interests, as results clearly show.

Just consider two areas vital to our security: promoting stability in Asia and stemming the spread of weapons of mass destruction. Better than anyone, you know how important the Asia-Pacific region is to our country's future. We've fought three wars in Asia in this century. Even in a recession, its economies still are major exports for our products. Five of our States touch the Pacific. Millions of Americans trace their roots to the Asia-Pacific region. We are an Asia-Pacific nation.

We keep about 100,000 troops in Asia, not directed against any adversary but to maintain and enhance stability in a region that is going through very profound change. Now, I ask you to ask yourselves: How can we better maintain stability in Asia, by working with China or without it? On the Korean Peninsula, where nearly 40,000 United States soldiers patrol the cold war's last militarized fault line, China has worked with us to advance peace talks and to support our success-

ful effort to freeze North Korea's nuclear program.

When India and Pakistan bucked the tide of history and tested nuclear explosives recently, China helped to forge a common strategy, working with us, designed to move India and Pakistan away from a dangerous arms race. And China's economy today serves as a firebreak in the Asian financial crisis. That's good for Wall Street, but it's good for Main Street America, too.

You all know how important our efforts are to stop the spread of nuclear, chemical, and biological weapons. China will either be part of the problem or part of the solution. In the past, China has been a major exporter of sophisticated technologies. But over the last decade, China has joined and complied with most of the major arms control regimes, including the Non-Proliferation Treaty, the Chemical Weapons Convention, the Comprehensive Nuclear Test Ban Treaty, and it has agreed to abide by most of the provisions of the Missile Technology Control Regime.

Over the past few years, it has also pledged to stop assistance to Iran for its nuclear program, to terminate its assistance to unsafeguarded nuclear facilities such as those in Pakistan, to sell no more antiship missiles to Iran. Each of these steps makes the world safer and makes America safer. It was in no small measure the product of our engagement.

In many other areas that matter to the American people, working with China is making a difference, too, fighting international crime and drug trafficking, protecting the environment, working on scientific research. And if we keep doing it, we can accomplish a great deal more.

When dealing with our differences, also, I believe, dealing face-to-face is the best way to advance our ideals and our values. Over time, the more we bring China into the world, the more the world will bring freedom to China. When it comes to human rights, we should deal respectfully but directly with the Chinese. That's more effective than trying to push them in a corner. I will press ahead on human rights in China with one goal in mind, and only one: making a difference.

That's what all of you here in the Alaska Command are doing for America, making a difference. The reach of this Command is truly remarkable, flying missions far and wide in your F-15's, AWACS, C-130 airlifters, patrolling the skies below the Korean DMZ, facing threats in the Persian Gulf, helping democracy make a new start in Haiti, running counternarcotics operations out of Panama, training with Canadian forces in the Arctic, conducting oil spill exercises with Russia and Japan. And of course, working with the Chinese through the military-to-military exchange program you host. And I understand another group of Chinese officers will be here just next month.

Wherever your country calls, you are there. Whenever your country needs you, you deliver. So again let me say to all of you, to those of you in uniform and to your families, your country thanks you, and I thank you.

Last week, the summer solstice touched Elendorf and you had 20 hours of daylight. Hillary said she was glad to be here in the middle of the afternoon. We could have come in the middle of the night and still had daylight at this time of year. [Laugher] By December you'll be all the way down to 6 hours of light a day. But in every season, day and night, thanks to you the bright light of freedom burns here. It illuminates every corner of our planet. So no matter how cold or dark it gets, never forget that your fellow Americans know you are burning freedom's flame, and we are very, very grateful.

Thank you, and God bless you.

Note: The President spoke at 7:09 p.m. in Hangar One. In his remarks, he referred to Col. Jonathan Scott Gration, USAF, Commander, 3d Wing; Lt. Gen. David J. McCloud, USAF, Commander, Alaskan Command and 11th Air Force; and Maj. Gen. Kenneth W. Simpson, USA, Commander, U.S. Army Alaskan Command.

Interview With the Los Angeles Times, Bloomberg Business News, and Business Week

June 19, 1998

Intervention To Support the Yen

Q. I wanted to talk to you a little bit, to start with, about the different reasoning between the 1995 intervention for the dollar and the 1998 intervention for the yen. In '95 the thought was that the dollar was out of line with the economic fundamentals and, therefore, needed to be supported. In this particular case we have the yen, which doesn't really seem to be out of sync with the fundamentals in the Japanese economy. And yet, we went in to intervene. Can you explain to me what the different reasoning is?

The President. Well, first of all, I think the yen would be out of line if you look at the fundamental productive capacity and the strength of the Japanese economy and the prospect of genuine reform of the financial institutions and appropriate economic policy. So that when the Prime Minister had agreed to put out the statement being clearer and more specific than before about the kinds of things that the Japanese Government was prepared to do in those areas, particularly around the institutional reform, we thought it was the appropriate thing to do, especially since a continued movement in the other direction in our view would have been unnecessarily destabilizing and out of line with what we think is the reality of the Japanese economic capacity.

Q. Let me just follow up this way if I could. Obviously, what needs to happen in order for Japan to have a recovery would be that the Japanese people need to open their wallets and start spending. Is there anything that you can do to help Hashimoto inspire them to do that?

The President. I don't know. But I think that in order to get them to change their well known habits for incredible savings, even when it's not the right thing to do, they have